

**REMARKS**

Reconsideration of this application is respectfully requested in view of the foregoing amendments and the following remarks.

**Interview Summary**

As a preliminary matter, the Applicants express their appreciation to the Examiner for extending the courtesy of a personal interview on September 27, 2005. During the interview, the Applicants described the invention and discussed the differences between the invention and the cited prior art. In addition, the Examiner and the Applicants discussed possible amendments to the claim language.

**Summary of the Response**

By the foregoing amendment, claims 1, 6, 8, 12, 14, 18, 25, 70 and 103 have been amended, claims 2, 5, 7, 9-11, 13, 23-24, 62-63, 65-69, 75, 95-96, 98-102 and 108 have been canceled, and new claims 130-151 have been added. No new matter has been added. Claims 3-4, 32-61, 64, 77-94, 97, and 110-129 have been previously withdrawn. Thus, claims 1, 6, 8, 12, 14-22, 25-31, 70-74, 76, 103-107, 109, and 130-151 are currently pending in the application and subject to examination.

In the Office Action mailed on April 6, 2005, claims 1, 2, 5-12, 14-28, 30-31, 62-63, 65-76, 95, 96 and 98-109 were rejected under 35 U.S.C. § 102 as being anticipated by U.S. Patent No. 6,397,197 to Gindlesperger (hereinafter "Gindlesperger"). Claims 13 and 29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Gindlesperger. It is noted that claims 1, 6, 8, 12, 14, 18, 25, 70 and 103 have been amended, claims 2, 5, 7, 9-11, 13, 23-24, 62-63, 65-69, 75, 95-96, 98-102 and 108 have

been canceled, and new claims 130-151 have been added. To the extent the rejections remain applicable to the claims currently pending, the Applicants hereby traverse the rejections, as follows.

**Claims 1, 18, 70 and 103 Recite Patentable Subject Matter**

Gindlesperger is directed to a system and method for competitive bid selection from a plurality of product vendors based on a database of vendor records and vendor capability data representing production and economic capabilities of the vendor. An invitation to bid is transmitted to the vendors from among those approved by the buyer associated with the buyer's invitation for bid, having vendor capability data meeting the calculated vendor requirements. Responding bids from the vendors are input into the database and ranked in order of price. The lowest price bid is identified and an order is issued to the selected vendor.

It is submitted that nothing in Gindlesperger, however, discloses or suggests a method and system for performing an on-line auction, having at least the features of ranking the first bid and the second bid based on a comparison of each bid with the request for the item, the ranking including a first status for the first bid and a second status for the second bid, the status indicating one of a leading bid and a lagging bid, and initiating a re-bid for each lagging bid, the re-bid initiation including comparing each leading bid with a pre-set limit for the sender of the lagging bid, as recited in claims 1, 18, 70 and 103, as amended.

For at least these reasons, the Applicants submit that claims 1, 18, 70 and 103, as amended, are allowable over the cited prior art.

**Claims 130, 137, 139, 144, 146 and 150 Recite Patentable Subject Matter**

It is further submitted that nothing in Gindlesperger (discussed above) discloses or suggests a method and system for performing an on-line auction, having at least the features of ranking each received response as one of leading and lagging, and initiating a re-bid for each lagging response, the re-bid initiation including comparing each leading response/target price with a pre-set limit for the sender of the lagging response, as recited in new claims 130, 137, 139, 144, 146 and 150.

For at least these reasons, the Applicants submit that claims 130, 137, 139, 144, 146 and 150 are allowable over the cited prior art.

**All Remaining Currently Pending Claims Recite Patentable Subject Matter**

It is respectfully submitted that all of the remaining currently pending claims recite patentable subject matter through dependency on the allowable independent claims. As claims 1, 18, 70 and 103 are allowable over the cited prior art, the Applicants submit that claims 6, 8, 12, 14-17, 19-22, 25-31, 71-74, 76, 104-107 and 109, each of which depends from one of allowable claims 1, 18, 70 and 103, are likewise allowable over the cited prior art.

Furthermore, as claims 130, 137, 139, 144, 146 and 150 are allowable, the Applicants submit that claims 131-136, 138, 140-143, 145, 147-149 and 151, each of which depends from one of allowable claims 130, 137, 139, 144, 146 and 150, are likewise allowable over the cited prior art.

**Conclusion**

For all of the above reasons, it is respectfully submitted that the claims now pending patentably distinguish the present invention from the cited references.

Accordingly, reconsideration and withdrawal of the outstanding rejections and an issuance of a Notice of Allowance are earnestly solicited.

Should the Examiner determine that any further action is necessary to place this application into better form, the Examiner is encouraged to telephone the undersigned representative at the number listed below.

In the event this paper is not considered to be timely filed, the Applicant hereby petitions for an appropriate extension of time. The Commissioner is hereby authorized to charge any fee deficiency or credit any overpayment associated with this communication to Deposit Account No. 01-2300, referring to client-matter number 025780-00001.

Respectfully submitted,

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Enclosure: Petition for Extension of Time (three months)